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The Honorable **Ciro D. Rodriguez**

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Blue Collar Government Employees Deserve Better

MR. SPEAKER, I rise on behalf of the 225,000 blue-collar employees who work for the federal government. These trade, craft, and labor employees are essential to our federal government's daily operation, yet we are not treating them with respect and dignity by paying them fairly under the Federal Wage System. Today I am introducing legislation, the Federal Wage Worker Pay Fairness Act of 2001, which addresses the fundamental problems with our federal wage system.

Blue-collar federal employees, a majority of whom work for the Department of Defense (DoD) and the Department of Veterans Affairs (VA), are key to the security and defense of our nation. They perform a range of duties critical to the success of military missions and the safety of our soldiers. They maintain our tanks and fighter planes, they repair ships and they handle munitions. It is by their sweat and hard work that we show our commitment to and support of our armed forces.

Wage grade employees in the VA are the men and women who work to fulfill America's promise to our veterans. Many of these workers are veterans themselves. They are the food service employees who prepare and deliver the nourishment veterans need to heal and recover from illness. They are the housekeepers who do the dirty and often hazardous work of maintaining a safe and clean hospital. They are

the carpenters, mechanics, and electricians who keep the VA hospitals operating 24 hours-a-day, seven days a week.

The pay for wage grade employees is supposed to be set according to local prevailing rates -- rates which compare to the same types of jobs performed by their non-federal counterparts. But for too long, federal employees have not been compensated at prevailing rates. They are not making a living wage. Many of the wage grade workers at the lower grades cannot afford the premiums on their federal health insurance plans. Some are even eligible for food stamps and hover just above the poverty level.

The Federal Wage System for these dedicated and hardworking employees is a failure. It is time to do the right thing for these workers.

The American Federation of Government Employees, AFL-CIO, the largest federal employee union, has been vigilant in urging Congress to provide the needed redress to the injustices in the Federal Wage System. My legislation, the Federal Wage Worker Pay Fairness Act of 2001, does so and is supported by AFGE. First, the bill would guarantee wage grade workers an annual pay raise.

Unlike their white-collar co-workers, wage grade employees are not guaranteed any annual pay raise. The nationwide General Schedule (GS) and locality pay raise we in Congress approve every year

are not given to federal employees in blue-collar occupations. It is unfair for the federal government to single out one segment of its workforce for impoverishment. A basic across the board pay adjustment each year is necessary to offset increases in their federal health care premiums as well as general increases in the cost of living. No employee of the U.S. government should see steady decreases in purchasing power from persistent wage stagnation.

Wage grade workers have seen their paychecks purchase less and less. For example, from 1984 to 1999, the pay of a General Schedule-11, step 4, employee at Warner Robins Air Force Base, in Georgia, kept pace with inflation. The pay of a Wage Grade-10, step 2, employee fell by about half. In other words, the wage grade employee's wage increases only made up for half of the increase in prices measured by the Consumer Price Index. And this loss of purchasing power doesn't even reflect the skyrocketing costs of federal health care premiums, which rose by 30 percent in the past few years.

Providing all federal blue collar workers with a minimum annual wage adjustment equal to General Schedule increases is budget neutral because the federal government's budget assumes that wage grade workers would be awarded the GS pay raise.

Second, the legislation would lift the caps on blue-collar pay increases.

On top of not being guaranteed an annual GS pay raise, any raise blue collar workers can receive is capped at the average nationwide GS pay raise. This is unfair and wrong. If federal agencies are to remain competitive we must stop imposing an artificial and arbitrary cap on blue-collar pay raises.

Third, my legislation would end the discriminatory practice of paying Department of Defense wage grade employees less than their counterparts in VA by restoring Monroney requirements to DoD.

The "Monroney amendment" to the Federal Wage Schedule requires the government to look outside the relevant wage survey area if there is an insufficient number of analogous private sector jobs to calculate blue-collar pay. This requirement is logically necessary to ensure that the prevailing wages are based on comparable work.

In 1985, the law was amended to exclude DoD from the Monroney amendment's requirement. As a

result, in San Antonio, a Wage Grade-11, step 5 blue-collar worker in the VA or other federal departments earns \$18.26 an hour but his or her counterpart in DoD earns \$.69 less an hour, or \$17.57. On overtime, that 69 cent differential becomes \$1.04 an hour in lost pay. While 69 cents an hour or \$1.04 an hour more may not seem much, it adds up for individual employees who are trying to support their families.

Fourth, the legislation would simplify the data collection and administration of the Federal Wage Schedule.

The bill would consolidate the areas surveyed for wage rates from the current 133 localities in the Federal Wage Schedule to the 32 localities drawn by the federal salary council used to set the pay for virtually every other federal employee under the Federal Employees Pay Comparability Act (FEPCA). These 32 regions are a more modern and accurate reflection of contemporary labor markets and commuting patterns. Simplifying the areas of data collection used to calculate wage schedules from 32 localities rather than 133 would yield considerable savings.

The legislation would also transfer responsibility for data collection from the lead agency, the Department of Defense, to the Bureau of Labor Statistics. This federal agency collects data used for other federal pay systems, most notably the GS white collar system. It already conducts data collection in the relevant localities, matching federal and non-federal jobs. While this change would impose new costs on the BLS, the consolidation of localities means that the cost of data collection to the government will go down overall.

Mr. Speaker, the single most important measure of a pay-setting system - for either white or blue-collar workers - is whether it allows workers to earn sufficient income to support a family in a decent fashion. Does it produce at least a stable standard of living? Does it hold out the hope that in good economic times, improvements in the standard of living are possible? Our current system does not.

The Federal Wage Worker Pay Fairness Act of 2001 would correct the fundamental errors in the current pay-setting system for federal blue-collar workers to ensure that they have a chance at a decent and stable standard of living. I urge my colleagues to support this legislation on behalf of our nation's federal workforce.